

OCA 86-15  
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MEMORANDUM FOR: See Distribution

FROM:

Deputy Director, Legislation  
Office of Congressional Affairs

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SUBJECT: House Permanent Select Committee on Intelligence (HPSCI)  
Version of Intelligence Authorization Bill

1. Attached for your information is a copy of H.R. 4759, the House version of the Intelligence Authorization Act for Fiscal Year 1987, as introduced on May 7, 1986 by Representative Hamilton, Chairman of HPSCI. It was "marked up" and reported out by the Committee on May 6, 1986. We will forward a copy of the report as soon as it is available. We understand that the bill is being referred on a limited, sequential basis to the Post Office, Judiciary and Armed Services Committees. At this point, it appears that the Judiciary Committee will take no action on the bill, and that the Post Office and Civil Service Committee is not favorably disposed to Section 504 of the bill, the section which gives the Secretary of Defense certain authorities over civilian intelligence personnel in the Department of Defense (see paragraph 10 below).

2. Prohibitions on Nicaraguan & Angolan Funding. The two major items of interest in the bill are prohibitions on the provision of paramilitary support to the resistance in Nicaragua or Angola (Sections 106 and 107, respectively, of the bill). The Nicaraguan provision is, we understand, put in the bill simply to insure that a decision as to that funding is made on the bill chosen by the House leadership (currently the military construction authorization bill), not on this bill.

3. The Angolan prohibition is an effort to give effect to Chairman Hamilton's bill, H.R. 4276, the bill which would make "public" debate on the question of covert United States Government funding of the resistance forces in Angola. That bill was favorably reported out by HPSCI on March 25, 1986 (H. Rept. No. 99-508, Part I), and favorably voted out by the House Foreign Affairs Committee on April 23, 1986 (Part II of House Rept. No. 99-508 - not yet available). The Administration is opposed to the Angolan prohibition, and efforts are underway to seek to have it struck from the bill.

4. Congressional Reporting of Covert Arms Transfers Over \$1 Million. As anticipated, the HPSCI included in the bill a provision (Section 602) to make permanent law (as Section 503 of the National Security Act of 1947) a provision requiring the reporting to the Congress of arms transfers over one million dollars (\$1,000,000) in value. You will recall that this provision was included in last year's intelligence authorization bill on a one-year basis. Its purpose, we believe, is to give the HPSCI leverage in the negotiations which are currently stalled between HPSCI and the National Security Council with respect to the covert action reporting procedures.

5. NSA/CIA Tuition Assistance Program. Section 505 of the bill is a provision sponsored by Representative Stokes authorizing the National Security Agency (NSA) to pay the college tuition of certain high school seniors. Participating seniors would have to agree to enroll in degree courses leading to the development of skills "critical" to NSA's mission (mathematics, computer science, engineering and foreign languages) and thereafter to work for NSA. Upon enrollment, students would become, in effect, NSA "employees" while in college. Note that subsection (e) of the provision is a statutory direction that the institution be notified of the fact that the student is a recipient of funds from the NSA. With the Agency's cooperation, HPSCI included a shorter provision, Section 506, which simply authorizes the DCI to establish a "similar" program for the Agency.

6. "Pre-1982 Former Spouses" Relief. The bill gives survivor's benefits (Section 302) and health benefits (Section 303) to the relatively small number of "former spouses" not covered by the "former spouses" legislation of previous years.

7. Loss of Pension for Identities Violators. We understand that in "markup" of the bill, HPSCI added a provision (Section 603) sponsored by Representatives Stump and Hyde (and included in last year's "Stump bill" - the Omnibus Intelligence Improvements Act of 1985), to divest the pension of a federal employee convicted of violating the Intelligence Identities Act.

8. Various FBI & DoD Provisions. You will note that the bill includes many of the various Department of Defense (DoD) and Federal Bureau of Investigation (FBI) provisions which were included in the Administration's draft of the bill as sent to the Congress. For the FBI, these include: access to bank records (Section 404); access to state and local criminal history record information (Section 402); and, authority to expend funds for hosting foreign counterintelligence officials (Section 401 - DoD also).

9. For DoD, these include: limited DoD authority to "recycle" proceeds from counterintelligence operations (Section 403); Defense Intelligence Agency (DIA) "medevac" authority (Section 501); one-year extension of Secretary of Defense's DIA personnel termination authority (Section 502); military intelligence collector awards (Section 503); authorization of personnel authority for Secretary of Defense with respect to DoD civilian intelligence personnel (Section 504); and, clarification of Defense Mapping Agency authority to enter into international agreements (Section 601).

10. Action by the SSCI on its version of the bill is expected later this week.

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